



**IN THE CIRCUIT COURT OF
MONTGOMERY COUNTY, ALABAMA**

THE STATE OF ALABAMA

Plaintiff,

v.

ABBOTT LABORATORIES, INC., ET AL.

Defendants.

Civil Action No. 2005-219

**PURDUE PHARMA L.P.'S ANSWER TO PLAINTIFF'S SECOND AMENDED
COMPLAINT**

Defendant Purdue Pharma L.P. ("Purdue") serves the following answer and affirmative defenses to Plaintiff's Second Amended Complaint in the above-captioned action ("Complaint"). To the extent that factual allegations are contained in the headings in the Complaint, Purdue denies such allegations, or is without sufficient knowledge or information to form a belief as to the truth of such allegations, and on that basis denies them.

INTRODUCTION

1. In response to Paragraph 1 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 1 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis

denies each and every one of them.

2. In response to Paragraph 2 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 2 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

3. In response to Paragraph 3, Purdue admits that Plaintiff purports to bring an action as described therein. Except as expressly admitted, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 3 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

4. In response to Paragraph 4, Purdue admits that Plaintiff purports to seek legal and equitable redress. Except as expressly admitted, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 4 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

PARTIES

5. In response to Paragraph 5, Purdue admits that the purported Plaintiff is the State of Alabama. Purdue further admits that Plaintiff purports to bring this action in its capacity as a sovereign and on behalf of the Alabama Medicaid Agency. Except as expressly admitted, Purdue denies each and every allegation contained in Paragraph 5.

6. In response to Paragraph 6 of the Complaint, Purdue states that insofar as the allegations in Paragraph 6 state conclusions of law, no response thereto is required. To the extent that this paragraph contains allegations that are not conclusions of law, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

7. In response to Paragraph 7 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

8. In response to Paragraph 8 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

9. In response to Paragraph 9 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

10. In response to Paragraph 10 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

11. In response to Paragraph 11 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

12. In response to Paragraph 12 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

13. In response to Paragraph 13 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

14. In response to Paragraph 14 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

15. In response to Paragraph 15 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

16. In response to Paragraph 16 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

17. In response to Paragraph 17 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

18. In response to Paragraph 18 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

19. In response to Paragraph 19 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

20. In response to Paragraph 20 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

21. In response to Paragraph 21 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

22. In response to Paragraph 22 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

23. In response to Paragraph 23 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

24. In response to Paragraph 24 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

25. In response to Paragraph 25 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

26. In response to Paragraph 26 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

27. In response to Paragraph 27 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

28. In response to Paragraph 28 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

29. In response to Paragraph 29 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

30. In response to Paragraph 30 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

31. In response to Paragraph 31 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

32. In response to Paragraph 32 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

33. In response to Paragraph 33 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

34. In response to Paragraph 34 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

35. In response to Paragraph 35 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

36. In response to Paragraph 36 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

37. In response to Paragraph 37 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

38. In response to Paragraph 38 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

39. In response to Paragraph 39 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

40. In response to Paragraph 40 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

41. In response to Paragraph 41 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

42. In response to Paragraph 42 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

43. In response to Paragraph 43 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

44. In response to Paragraph 44 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

45. In response to Paragraph 45 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

46. In response to Paragraph 46 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

47. In response to Paragraph 47 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

48. In response to Paragraph 48 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

49. In response to Paragraph 49 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

50. In response to Paragraph 50 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

51. In response to Paragraph 51 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

52. In response to Paragraph 52 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

53. In response to Paragraph 53 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

54. In response to Paragraph 54 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

55. In response to Paragraph 55 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

56. In response to Paragraph 56 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

57. In response to Paragraph 57 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

58. In response to Paragraph 58 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

59. In response to Paragraph 59 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

60. In response to Paragraph 60 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

61. In response to Paragraph 61 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

62. In response to Paragraph 62 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

63. In response to Paragraph 63 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

64. In response to Paragraph 64 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

65. In response to Paragraph 65 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

66. In response to Paragraph 66 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

67. In response to Paragraph 67 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

68. In response to Paragraph 68 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

69. In response to Paragraph 69 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

70. In response to Paragraph 70 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

71. In response to Paragraph 71 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

72. In response to Paragraph 72 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

73. In response to Paragraph 73 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

74. In response to Paragraph 74 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

75. In response to Paragraph 75 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

76. In response to Paragraph 76 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

77. In response to Paragraph 77 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

78. In response to Paragraph 78, Purdue admits that it is a Delaware limited partnership with its principal place of business located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901-3431. Purdue further admits that it is engaged in the business of manufacturing,

distributing, marketing, and/or selling prescription drugs, some of which are subject to reimbursement to third parties by state Medicaid agencies. Purdue admits that Plaintiff purports to make claims regarding the drugs identified in Exhibit A of the Complaint. Except as expressly admitted, Purdue denies each and every allegation contained in Paragraph 78.

79. In response to Paragraph 79 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

80. In response to Paragraph 80 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

81. In response to Paragraph 81 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

82. In response to Paragraph 82 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

83. In response to Paragraph 83 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

84. In response to Paragraph 84 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

85. In response to Paragraph 85 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

86. In response to Paragraph 86 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis

denies each and every one of them.

87. In response to Paragraph 87 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

88. In response to Paragraph 88 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

89. In response to Paragraph 89 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

90. In response to Paragraph 90 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

91. In response to Paragraph 91 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

92. In response to Paragraph 92 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

93. In response to Paragraph 93 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

94. In response to Paragraph 94 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 94 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

JURISDICTION AND VENUE

95. In response to Paragraph 95 of the Complaint, Purdue states that insofar as the allegations in Paragraph 95 state conclusions of law, no response thereto is required. To the extent that this paragraph contains allegations that are not conclusions of law, Purdue denies each and every allegation contained therein.

96. In response to Paragraph 96 of the Complaint, Purdue states that insofar as the allegations in Paragraph 96 state conclusions of law, no response thereto is required. Purdue admits that it does business in Alabama. Except as expressly admitted, and to the extent the allegations in Paragraph 96 do not state conclusions of law, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 96 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

97. In response to Paragraph 97, Purdue states that insofar as the allegations in Paragraph 97 state conclusions of law, no response thereto is required. To the extent the allegations in Paragraph 97 do not state conclusions of law, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

FACTUAL BACKGROUND

98. In response to Paragraph 98 of the Complaint, Purdue states that it is informed and believes, and on that basis admits, that the Alabama Medicaid program is a program that pays for certain medical benefits, including prescription drug benefits, for certain Alabama citizens. Except as expressly admitted, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in Paragraph 98, and on that basis denies each and every one of them.

99. In response to Paragraph 99 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

100. In response to Paragraph 100 of the Complaint, Purdue admits that it has, from time to time, provided certain pricing information for certain of its drugs to certain third party publications. Except as expressly admitted, Purdue denies each and every allegation contained in Paragraph 100 to the extent they relate to Purdue. To the extent the allegations in Paragraph 100 relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

101. In response to Paragraph 101 of the Complaint, Purdue states that insofar as the allegations in Paragraph 101 state conclusions of law, no response thereto is required. To the extent that this paragraph contains allegations that are not conclusions of law, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

The Defendants' Reporting of Inflated Pricing Information

102. In response to Paragraph 102 of the Complaint, Purdue states that insofar as the allegations in Paragraph 102 state conclusions of law, no response thereto is required. To the extent that this paragraph contains allegations that are not conclusions of law and that relate to Purdue, Purdue denies each and every allegation contained therein. To the extent the allegations in Paragraph 102 relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

103. In response to Paragraph 103 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 103 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

104. In response to Paragraph 104 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

105. In response to Paragraph 105 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 105 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

106. In response to Paragraph 106 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 106 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

107. In response to Paragraph 107 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 107 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

Defendants' Marketing of the "Spread"

108. In response to Paragraph 108 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 108 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

109. In response to Paragraph 109 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 109 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

110. In response to Paragraph 110 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 110 of the

Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

111. In response to Paragraph 111 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 111 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

Other Lawsuits, Settlements, Government Investigations, and Criminal Proceedings

112. In response to Paragraph 112, Purdue admits that other plaintiffs have filed complaints against Purdue, alleging similarly meritless and ill-informed claims from which Plaintiff here appears to have largely copied its allegations. Except as expressly admitted herein, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 112 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

113. In response to Paragraph 113 of the Complaint, Purdue admits that it has been named as a defendant in an action entitled *The City of New York v. Abbott Laboratories, Inc.*, 04-CV-06054, in the United States District Court for the Southern District of New York (August 4, 2004), an action in which the plaintiff has made meritless and ill-founded allegations similar to those asserted in this action, and from which Plaintiff here appears to have largely copied its allegations. Except as expressly admitted, Purdue denies each and every allegation in Paragraph 113 to the extent they relate to Purdue. To the extent the allegations in Paragraph 113 relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

114. In response to Paragraph 114 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 114 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or

information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

115. In response to Paragraph 115 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 115 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

116. In response to Paragraph 116 of the Complaint, Purdue is without sufficient knowledge or information regarding other parties to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

117. In response to Paragraph 117 of the Complaint, Purdue is without sufficient knowledge or information regarding other parties to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

118. In response to Paragraph 118 of the Complaint, Purdue is without sufficient knowledge or information regarding other parties to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

119. In response to Paragraph 119 of the Complaint, Purdue is without sufficient knowledge or information regarding other parties to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

120. In response to Paragraph 120 of the Complaint, Purdue is without sufficient knowledge or information regarding other parties to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

121. In response to Paragraph 121 of the Complaint, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

122. In response to Paragraph 122 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 122 of the

Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

123. In response to Paragraph 123 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 123 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

124. In response to Paragraph 124 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 124 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

125. In response to Paragraph 125 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 125 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

126. In response to Paragraph 126 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 126 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

CLAIMS

COUNT ONE- FRAUDULENT MISREPRESENTATION

127. In response to Paragraph 127 of the Complaint, Purdue realleges and incorporates its responses to the allegations in Paragraphs 1 through 126 of the Complaint.

128. In response to Paragraph 128 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 128 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

129. In response to Paragraph 129 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 129 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

130. In response to Paragraph 130 of the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 130 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

COUNT TWO - FRAUDULENT SUPPRESSION

131. In response to Paragraph 131 of the Complaint, Purdue realleges and incorporates its responses to the allegations in Paragraphs 1 through 130 of the Complaint.

132. In response to the paragraph labeled as 140 in the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 140 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

133. In response to the paragraph labeled as 141 in the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 141 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

134. In response to the paragraph labeled as 142 in the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 142 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

COUNT THREE - WANTONNESS

135. In response to the paragraph labeled as 143 in the Complaint, Purdue realleges and incorporates its responses to the allegations in Paragraphs 1 through 142 of the Complaint.

136. In response to the paragraph labeled as 144 in the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 144 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

137. In response to the paragraph labeled as 145 in the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 145 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

138. In response to the paragraph labeled as 146 in the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 146 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

139. In response to the paragraph labeled as 147 in the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 147 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

COUNT FOUR - UNJUST ENRICHMENT

140. In response to the paragraph labeled as 148 in the Complaint, Purdue realleges and incorporates its responses to the allegations in Paragraphs 1 through 147 of the Complaint.

141. In response to the paragraph labeled as 149 in the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 149 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

142. In response to the paragraph labeled as 150 in the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 150 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

143. In response to the paragraph labeled as 151 in the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 151 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

144. In response to the paragraph labeled as 152 in the Complaint, Purdue denies each and every allegation therein to the extent they relate to Purdue. To the extent the allegations in Paragraph 152 of the Complaint relate to parties other than Purdue, Purdue is without sufficient knowledge or information to form a belief as to the truth of the allegations contained therein, and on that basis denies each and every one of them.

PRAYER FOR RELIEF

In response to Plaintiff's Prayer for Relief, Purdue denies each and every allegation contained therein, and further denies that Plaintiff is entitled to relief requested or to any relief in any amount or of any kind whatsoever.

AFFIRMATIVE DEFENSES

Without assuming the burden of proof of such defenses that it would not otherwise have, Purdue asserts the following separate and affirmative defenses to the Complaint:

FIRST AFFIRMATIVE DEFENSE

Plaintiff's claims are barred for failure to state a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, by the applicable statutes of limitations.

THIRD AFFIRMATIVE DEFENSE

Plaintiff has failed to plead fraud with the requisite particularity.

FOURTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, by lack of standing.

FIFTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, by the doctrine of estoppel.

SIXTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, by the doctrine of laches.

SEVENTH AFFIRMATIVE DEFENSE

Plaintiff has not suffered, and will not suffer, any injury to a legally protected or cognizable interest by reason of the conduct of Purdue as alleged in the Second Amended Complaint.

EIGHTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, by the doctrine of res judicata and collateral estoppel.

NINTH AFFIRMATIVE DEFENSE

Plaintiff's claims are preempted, in whole or in part, by federal law, including without limitation, the Federal Employment Retirement Income and Security Act of 1974, the Federal Medicare Act, and the Federal Medicaid Act, including all amendments to the same and all regulations promulgated thereunder.

TENTH AFFIRMATIVE DEFENSE

161. Plaintiff's claims against Purdue for injunctive relief were mooted by the passage of the Medicare Prescription Drug, Improvement and Modernization Act of 2003.

ELEVENTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, to the extent that Plaintiff has released, settled, entered into an accord and satisfaction or otherwise compromised its claims.

TWELFTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, by the doctrine of unclean hands.

THIRTEENTH AFFIRMATIVE DEFENSE

All conduct and activity of Purdue alleged in the Second Amended Complaint conformed to all laws and judgments applicable at the time of said conduct and activity.

FOURTEENTH AFFIRMATIVE DEFENSE

Plaintiff's claims against Purdue are barred because Purdue has complied with all applicable regulations of the federal and state governments.

FIFTEENTH AFFIRMATIVE DEFENSE

Any and all actions taken by Purdue with respect to any of the matters alleged in the Second Amended Complaint were taken in good faith and in accordance with established industry practice.

SIXTEENTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, because their alleged damages, if any, are speculative, and because of the impossibility of ascertaining and/or allocating these alleged damages.

SEVENTEENTH AFFIRMATIVE DEFENSE

Purdue alleges that the prayer for damages based on each cause of action stated therein is improperly overbroad and seeks damages to which Plaintiff is not entitled under Alabama law.

EIGHTEENTH AFFIRMATIVE DEFENSE

There is no direct and proximate causal connection between any claims of harm or injury alleged by Plaintiff and any acts alleged to have been committed by Purdue.

NINETEENTH AFFIRMATIVE DEFENSE

Purdue alleges that any and all damage allegedly incurred by Plaintiff was proximately caused by, and attributable in whole or in part to, the acts of persons, firms, or entities other than Purdue, including Plaintiff, and that Purdue has no responsibility or liability for the alleged damages proximately caused by and attributable to the acts of others.

TWENTIETH AFFIRMATIVE DEFENSE

Purdue alleges that if Plaintiff did sustain any damages, which Purdue denies, such damages were caused, in whole or in part, by Plaintiff's failure to mitigate any damages it may have suffered, which failure to mitigate bars and/or diminishes the Plaintiffs' right to any relief against Purdue.

TWENTY-FIRST AFFIRMATIVE DEFENSE

Plaintiff fails to adequately allege that Purdue has enriched itself unjustly.

TWENTY-SECOND AFFIRMATIVE DEFENSE

Plaintiff's unjust enrichment claims are barred, in whole or in part, because Purdue did not retain any money belonging to the State as a result of any alleged overpayments as required by Alabama law.

TWENTY-THIRD AFFIRMATIVE DEFENSE

Plaintiff's claims have been waived, in whole or in part.

TWENTY-FOURTH AFFIRMATIVE DEFENSE

To the extent that Plaintiff attempts to seek equitable relief against Purdue, it is not entitled to such relief because it has an adequate remedy at law.

TWENTY-FIFTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, due to its failure to join all indispensable and/or necessary parties.

TWENTY-SIXTH AFFIRMATIVE DEFENSE

Any damages recovered by the Plaintiff from Purdue must be limited by the applicable statutory ceilings on recoverable damages, including without limitation, Alabama Code 6-11-21.

TWENTY-SEVENTH AFFIRMATIVE DEFENSE

To the extent punitive damages are sought, Plaintiff's claims against Purdue cannot be sustained because an award of punitive damages that is subject to no predetermined limit would violate Purdue's due process rights guaranteed by the Fifth and Fourteenth Amendments to the United States Constitution, and would violate Purdue's right not to be subjected to an excessive award; and would be improper under the Constitution, common law, and public policies of the State of Alabama.

TWENTY-EIGHTH AFFIRMATIVE DEFENSE

To the extent punitive damages are sought, Plaintiff's punitive damages claims against Purdue: (1) have no basis in law or fact; (2) are not recoverable because the allegations of the Complaint are legally insufficient to support a claim for punitive damages against Purdue; (3) cannot be sustained because the laws regarding the standards for determining liability for and the amount of punitive damages fail to give Purdue prior notice of the conduct for which punitive damages may be imposed and the severity of the penalty that may be imposed, and are void for vagueness in violation of Purdue's Due Process rights guaranteed by the Fifth and Fourteenth Amendments to the United States Constitution and the Constitution of the State of Alabama; (4) cannot be sustained because any award of punitive damages exceeding the limits authorized by the laws or other comparable laws would violate Purdue's due process and equal protection rights guaranteed by the Fifth and Fourteenth Amendments to the United States Constitution and would be improper under the Constitution, common law and laws of the State of Alabama; (5) cannot be sustained because an award of punitive damages in this case, combined with any prior, contemporaneous, or subsequent judgments against Purdue for punitive damages arising from the design, development, manufacture, fabrication, distribution, supply, marketing, sale, or use of Purdue's products would constitute impermissible multiple punishments for the same wrong, in violation of Purdue's Due Process and Equal Protection rights guaranteed by the Fifth and Fourteenth Amendments to the United States Constitution and would constitute double jeopardy in violation of the Constitution, common law, and statutory laws of the State of Alabama; (6) cannot be sustained because any award of punitive damages without the apportionment of the award separately and severally between or among the alleged joint tortfeasors, as determined by the alleged percentage of the wrong committed by each alleged tortfeasor, would violate Purdue's Due Process and Equal Protection rights guaranteed by the Fifth and Fourteenth Amendments to the United States Constitution and would be improper under the Constitution, common law, and public policies of the State of Alabama; and (7) cannot be sustained because any award of punitive damages, which are penal in nature, without according Purdue the same

protections that are accorded to all criminal defendants, including the protection against unreasonable searches and seizures, the privilege against self-incrimination, and the rights to confront adverse witnesses, a speedy trial, and the effective assistance of counsel, would violate Purdue's rights guaranteed by the Fourth, Fifth, and Sixth Amendment as incorporated into the Fourteenth Amendment to the United States Constitution and would be improper under the Constitution, common law, and public policies of the State of Alabama.

TWENTY-NINTH AFFIRMATIVE DEFENSE

To the extent punitive damages are sought, Plaintiff's claims for punitive damages against Purdue cannot be sustained because an award of punitive damages by a jury that: (1) is not provided constitutionally adequate standards of sufficient clarity for determining the appropriate imposition of, and the appropriate size of, a punitive damages award; (2) is not adequately instructed on the limits of punitive damages imposed by the applicable principles of deterrence and punishment; (3) is not expressly prohibited from awarding punitive damages, or determining the amount of an award of punitive damages, in whole or in part on the basis of invidiously discriminatory characteristics, including without limitation the residence, wealth, and corporate status of Purdue; (4) is permitted to award punitive damages under a standard for determining liability for punitive damages that is vague and arbitrary and does not define with sufficient clarity the conduct or mental state that makes punitive damages permissible; (5) is not properly instructed regarding Plaintiff's burden of proof with respect to each and every element of a claim for punitive damages; and (6) is not subject to trial court and appellate judicial review for reasonableness and furtherance of legitimate purposes on the basis of constitutionally adequate and objective standards, would violate Purdue's Due Process and Equal Protection rights guaranteed by the Fifth and Fourteenth Amendments to the United States Constitution, and would be improper under the Constitution, common law, and public policies of the State of Alabama.

THIRTIETH AFFIRMATIVE DEFENSE

Purdue has affirmatively stated on its published price lists that the AWP reported on its lists was not intended to be a price charged by Purdue for any product to any customer. Purdue thus disclosed in its price announcements that reported AWPs for Purdue drugs did not, and were not intended to, represent the actual price paid by purchasers of such products. Accordingly, Plaintiffs are estopped from claiming to have been defrauded by virtue of any action by Purdue.

THIRTY-FIRST AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, by the political question and separation of powers doctrines.

THIRTY-SECOND AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, by the First Amendment to the United States Constitution and the analogous provisions of the Constitution of the State of Alabama.

THIRTY-THIRD AFFIRMATIVE DEFENSE

Plaintiff's claims are preempted by the dormant Commerce Clause of the United States Constitution.

THIRTY-FOURTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, because they violate Purdue's rights under the Due Process and *Ex Post Facto* clauses of the United States Constitution, as well as the Constitution of the State of Alabama, insofar as Plaintiff seeks to impose liability retroactively for conduct that was not actionable at the time it occurred.

THIRTY-FIFTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred in whole or in part, by the filed rate doctrine.

THIRTY-SIXTH AFFIRMATIVE DEFENSE

Some or all of Plaintiff's claims against Purdue arise from Plaintiff's failure to follow its federal and state statutory and regulatory obligation to properly establish appropriate reimbursement rates.

THIRTY-SEVENTH AFFIRMATIVE DEFENSE

Plaintiff's claims against Purdue are misjoined with Plaintiff's claims against other Defendants and must be severed.

THIRTY-EIGHTH AFFIRMATIVE DEFENSE

Purdue adopts by reference any applicable defense pleaded by any other Defendant not expressly set forth herein.

THIRTY-NINTH AFFIRMATIVE DEFENSE

Purdue hereby gives notice that it intends to rely upon any other and additional defense that is now or may become available or appear during, or as a result of the discovery proceedings in this action and hereby reserves its right to amend its answer to assert such defense.

Dated: January 30, 2006

/s/Harlan I. Prater, IV
Attorney for Defendant
Purdue Pharma L.P.

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CERTIFICATE OF SERVICE

I hereby certify that I have on this 30th day of January, 2006, electronically served a true and correct copy of the foregoing pleading on counsel of record by transmission to LNFS, pursuant to Case Management Order No. 2.

/s/Harlan I. Prater, IV

Of Counsel